

**COUNCIL AUTHORITY FOR CONTRACT AWARDS  
CONTRACT INCREASE**

<b>Project Award</b>	Contract Increase for ACCEO Solutions for the implementation of License Plate Recognition (LPR) Technology
<b>Recommendation</b>	<b>Staff is recommending approval to proceed with a 5 year contract value increase for ACCEO Solutions in the amount of \$225,000 (exclusive of HST).</b>
<b>Purpose of Report</b>	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
<b>Background information</b>	<p>ACCEO Solutions provides the software solution used within the Town to administer its parking enforcement program and related processes.</p> <p>Through the 2023 budget process and as recommended in Service Delivery Review Phase 2 (CORS-063-20), Council approved capital project C24012323 which provides programming enhancements and streamlined software processes within the Town's parking enforcement system, through the implementation of License Plate Recognition (LPR) technology. LPR technology utilizes vehicle-mounted cameras to take pictures of parked or stopped vehicles that are in violation of the Uniform Traffic by-law. While originally planned for implementation in 2023, Town staff worked diligently through 2023 to revisit the scope of the project and ensure the system being implemented will meet the needs of the Town and drive the benefits outlined in CORS-063-20. A fully automated LPR system will create efficiencies in processes and allow quicker, more accurate and safe enforcement operations. In addition to the implementation of LPR, there are forthcoming changes to the parking enforcement program planned for in 2024 that will result in programming changes within the parking enforcement software solution. A number of these forthcoming changes will result in one-time professional service fees/charges from the software vendor.</p> <p>Following implementation of the LPR system in year 1 (2024), the Town will enter into an additional 4 years of ongoing operational support and software maintenance costs. The estimated annual operational cost for this system in year 2 (2025) is approximately \$39,159 (exclusive of HST), which is expected to rise approximately 4% annually through to year 5 (2029). Through the 2024 budget process, \$21,000 has already been approved and set aside for the annual operating costs associated attributed to LPR.</p> <p>Council previously approved a total 2024 contract amount of \$184,860 for ACCEO Solutions through CORS-060-23 (Schedule F). As a result of the forthcoming LPR implementation and planned programming changes in 2024, staff are requesting a five year contract increase of \$225,000 (exclusive of HST) for this vendor.</p>

<b>Financial Planning Section: Budget Impact</b> (Note 1)		
<b>Account Number(s)</b>	C24012320-A0640-7140	C24012323-A0640-7140
<b>Account Description</b>	Mobile Parking Enforcement	Mobile Parking Enforcement
<b>Project Total Budget</b>	\$601,751	\$202,921
<b>Contract Budget</b>	\$87,633	\$196,752
<b>Actual</b> (Net of HST Rebate)	\$46,613	\$182,347
<b>Variance</b> (Note 2)	\$41,020 (F)	\$14,405 (F)
<b>Funding Source</b>	Project Variance Account	Project Variance Account

Note 1: Financial impact includes any non-refundable portion of HST.

Note 2: Staff has requested to keep the favorable variance in the projects budget for additional work that may be required.

Note 3: This contract commits the Town to a five year operational expense of \$39,159 (exclusive of HST) annually. This will result in an increased operating cost of approximately \$15,476 above what was budgeted for 2024. It is anticipated that this contract increase due to the introduction of net new software licenses and subscriptions, hardware warranties and annual support can be managed within the overall IT operating budget. Spending relative to the approved budgets will be reviewed with Financial Planning and any variances reported through the variance process. Increases for year 2 (2025) and onwards will be considered in future operating budget planning.

Note 4: The LPR contract will result in a fee of \$0.50 per ticket issued, or an estimated annual cost of approximately \$15,000. Although this cost was not considered within the 2024 budget it is anticipated that it will be offset by a reduction in the contractual cost of issuing tickets due to process efficiencies associated with LPR which will be considered in the development of the 2025 and futures budgets.